

Regular Session, 2009

HOUSE BILL NO. 320

BY REPRESENTATIVES GALLOT AND DOWNS AND SENATORS KOSTELKA,  
THOMPSON, AND WALSWORTH

AN ACT

To amend and reenact R.S. 47:301(16)(m)(i) and (ii) and 337.10(I), to exempt from state and local sales and use taxes certain machinery and equipment used by glass container manufacturers; to authorize the granting of exemptions by a political subdivision; to provide for the duration of the exclusion; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:301(16)(m)(i) and (ii) are hereby amended and reenacted to read as follows:

§301. Definitions

As used in this Chapter the following words, terms, and phrases have the meaning ascribed to them in this Section, unless the context clearly indicates a different meaning:

\* \* \*

(16)

\* \* \*

(m)(i) Notwithstanding any other provision of law to the contrary, for purposes of the sales and use tax levied by the state or any political subdivision whose boundaries are coterminous with those of the state, the term "tangible personal property" shall not include machinery and equipment used by a motor vehicle manufacturer with a North American Industry Classification System (NAICS) Code beginning with 3361, or by a glass container manufacturer with a NAICS Code of

327213. This exclusion shall be subject to the definitions and requirements of Subparagraph Item (3)(i)(ii) of this Section.

(ii) A political subdivision may provide for a sales and use tax exemption for the sales, cost, or lease or rental price of manufacturing machinery and equipment as provided for in this Section, either effective upon adoption or enactment or phased in over a period of time, or effective for a certain period of time or duration, all as set forth in the instrument, resolution, vote, or other affirmative action providing the exemption.

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Section 2. R.S. 47:337.10(I) is hereby amended and reenacted to read as follows:

### §337.10. Optional exclusions and exemptions

\* \* \*

I.(1) A political subdivision may provide for a sales and use tax exclusion as provided for in R.S. 47:301(3)(i), (13)(k), or (28), or any combination of these or all of them, for the sales, cost, or lease and rental price of manufacturing machinery and equipment, either effective upon adoption or enactment or phased in over a period of time, or effective for a certain period of time or duration, all as set forth in the instrument, resolution, vote, or other affirmative action providing the exclusion.

(2) Pursuant to the authority provided for in Paragraph (1) of this Subsection, a political subdivision may provide an exclusion from its tax for any class or classes of manufacturers, including a glass container manufacturer with a NAICS Code of 327213.

(3)(a) Pursuant to the authority provided for in Paragraph (1) of this Subsection, a political subdivision may provide an exclusion from its tax for any other machinery, equipment, supplies, materials, or services used or consumed in the business of farming.

(b) The authority provided to political subdivisions in this Paragraph shall be in addition to the authority provided to political subdivisions in Paragraph (1) of this Subsection to exclude from their tax machinery and equipment that is eligible for depreciation for federal income tax purposes and that is used as an integral part

1 of the production, processing, and storing of food and fiber or of timber by an  
2 individual or entity which is assigned by the Louisiana Workforce Commission a  
3 North American Industrial Classification System code within the agricultural,  
4 forestry, fishing, and hunting Sector 11, all as defined in and provided for in R.S.  
5 47:301(3)(i)(ii), and the authorization in Subsections B, C, and D of this Section for  
6 certain political subdivisions to exempt that portion of the sales price of farm  
7 machinery and equipment provided for in R.S. 47:305.25(A) in excess of fifty  
8 thousand dollars, or any other exclusion or exemption that may be provided by law.

9 \* \* \*

10 Section 3. The provisions of Section 2 of this Act are intended to be retroactive,  
11 remedial, and curative relative to the authority of political subdivisions pursuant to Act No.  
12 1 of the 2004 First Extraordinary Session of the Legislature.

13 Section 4. This Act shall become effective July 1, 2009: if vetoed by the governor  
14 and subsequently approved by the legislature, this Act shall become effective on July 1,  
15 2009, or on the day following such approval by the legislature, whichever is later.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_